



From the Financial Listening Posts of Europe

Law Cabinet Plans Aid for Unemployed

Leaders of All Parties Agree, However, That Real Cause of Lack of Work Is Bound Up With Foreign Trade

View Brussels Hopefully

Likely Poincare's Position Will Have To Be Modified to Meet British Approval

From The Tribune's European Bureau
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LONDON, Dec. 3.—While the Bonar Law government is announcing its plans for governmentally financed or state aid enterprises to relieve unemployment Britain's stage is being set for a conference on the result of which the future direction of British trade may depend. The governmental schemes of road building, land drainage, industrial reorganization, railroad development and electrification will do a great deal, together with a continuance of the doles, to help tide the unemployment over the winter, but as the leaders of all parties in the House of Commons agree, the real cause of the widespread unemployment is bound up with the country's export trade, which now, on account of the elimination of old markets, such as Russia, remains in the doldrums.

Although as Ambassador Harvey pointed out in his speech on Thursday, the period of depression following the warlike years lasted fifteen years, while the present slump has continued only three, there is the undoubted fact that owing to the country's changed economic status it is not possible to allow the present state of affairs to last even the greater part of a decade.

Whether or not the Bonar Law government can do more to solve the tangled problems of European debts and reparations than its predecessor there is a fairly widespread feeling that chances for the successful issue of the Brussels conference, although not bright, at least do not seem hopeless. The council is as optimistic as on the eve of a former gathering of a like nature.

The discussion meeting at London in August was broken up by the fact that the Balfour note, issued shortly before Poincare saw Lloyd George, caused the French Premier to withhold his detailed plan whereby the German liability was to be scaled down in consideration of inter-Allied debt forgiveness.

Now, although it is officially estimated that Bonar Law's disclaimer of responsibility for the note outlined in the Balfour note does not preclude any definite plan of the Cabinet for debt cancellation, it can at least be accepted that the present government is disposed to listen more sympathetically to such suggestions as Lloyd George.

If semi-official outlines of Poincare's present position prove correct there is a probability that it will have to be modified in several respects before it can obtain British approval, but the fact that it can be introduced opens marks an advance toward a solution. With Mussolini directing Italian policy it will be surprising if Italy is willing to agree to a small percentage of the final German payment of \$60,000,000.

600 gold marks, which Poincare's plan contemplates.

It did the most disquieting feature of the separation situation has been the French insistence upon the early convening of the Brussels conference, which it is felt in some quarters here, is coupled with the implied threat to carry out military measures in the Ruhr. However, should the Allied premiers reach such a measure of agreement at London as will allow the date of the Brussels conference definitely to be announced, the British will let it be known that they will not enter the conference unless there is previously a reasonable unanimity among the Allies—it would be a comparatively simple matter to arrange some respite to cover the period between the expiration of the German moratorium on December 31 and the time when the Brussels decisions will take effect.

Heavy Deficit Is Revealed in German Budget

Will Reach a Total of 845 Billions for the Fiscal Year, Calculated on Prevailing Currency Values

By Wireless to The Tribune
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The most interesting individual financial development of the week was the record Geisselbach's increase in capitalization by more than \$60,000,000 marks, making the bank's total capitalization \$900,000,000 marks. This increase, it is explained, is in line with the policies of other large German banks, in order to prevent the majority of their shares falling into the hands of foreign investors.

The general situation is satisfactory,

as the wheat crop was found to approach

7,500,000 tons, compared with requirements of 8,000,000. Improvement has been noted also in other agricultural products. The potato crop will reach 13,100,000 tons instead of 8,300,000. So a substantial surplus should be available to supply the deficiency of bread. Green stuffs generally show an advance of almost 80 per cent, due to the great humidity. Domestic beet sugar before the war was sufficient for home consumption with some 3,500,000 tons, so that this year's progression from 2,000,000 to 2,600,000 tons must be further increased.

Industrially the country is gradually forging ahead. The automobile industry is the criterion. There are now 250,000 cars, compared with 100,000 before the war. Belgium has done even better, with 32,000, compared with 10,000 previously. Spain shows the greatest increase, from 8,000 to 35,500, which is still a small number for a country almost as large as France.

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Prices Remain Stationary on Paris Bourse

Market Unable to Interpret Currents of Political Activity at Lausanne Parley and at Berlin

Uncertain on Exchange

Strong Opposition Develops to Doubling Transfer Tax on Bearer Shares

By Wireless to The Tribune
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PARIS, Dec. 3.—Unable to interpret the currents of political activity at the Lausanne conference or at Berlin concerning reparations, and likewise uncertain over the variations in exchange, the Bourse remained stationary through most of the week, but strengthened at the close.

Theoretically, stocks of merchandise should improve here with the decline in currency, but sentimental factors intervene over long periods. This is, doubtless, because when the purchasing power of the franc or the government war loans seem to be threatened the Minister of Finance prepares new taxes to make their position more favorable.

Although the plan has been abandoned to make all shares nominative to the holder—in order to limit the evasion of taxation, it has been decided to double the transfer tax on bearer shares, now rated at one-half of 1 per cent of the capital value. The opposition maintains that much reason that these measures will tend to limit the circulation of capital, thus slowing up a source of revenue which was assessed at 1,100,000,000 francs for 1923.

The general situation is satisfactory, as the wheat crop was found to approach 7,500,000 tons, compared with requirements of 8,000,000. Improvement has been noted also in other agricultural products. The potato crop will reach 13,100,000 tons instead of 8,300,000. So a substantial surplus should be available to supply the deficiency of bread. Green stuffs generally show an advance of almost 80 per cent, due to the great humidity. Domestic beet sugar before the war was sufficient for home consumption with some 3,500,000 tons, so that this year's progression from 2,000,000 to 2,600,000 tons must be further increased.

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